

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6979**

**BILL NUMBER:** SB 328

**NOTE PREPARED:** Feb 20, 2007

**BILL AMENDED:** Feb 20, 2007

**SUBJECT:** Department of Child Services.

**FIRST AUTHOR:** Sen. Lawson C

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill:

(a) requires the Director of the Department of Child Services (DCS) to appoint a county director for each county office of Family and Children. (Current law requires the Director of the Division of Family Resources to make the appointments in consultation with the Director of the Department.);

(b) specifies that national criminal history checks shall be conducted in compliance with federal law to determine whether certain individuals who supervise children have been convicted of specified offenses;

(c) modifies the definition of "custodian", for purposes of statutes regarding children in need of services (CHINS), to include a person who is a member of the household of a child's noncustodial parent;

(d) requires criminal history checks in pre-adoption placements, even if the child is: (1) not a ward of the court or the Department; or (2) placed with certain relatives. The bill makes certain other changes;

(e) replaces county early intervention plan teams with regional services councils. The bill establishes the duties, membership, and procedures of the regional services councils. It repeals county early intervention plan teams for delinquent children;

(f) provides that the Department shall: (1) establish at least three citizen review panels; and (2) may designate existing entities as citizen review panels if the entities meet certain conditions. The bill requires a citizen review panel to: (1) consist of volunteer members who broadly represent the community; (2) examine policies and procedures of child welfare agencies and specific cases when appropriate; (3) meet at least one

time every three months; and (4) prepare an annual report. It requires the Department to submit a response to a citizen review panel's report not more than six months after the date the Department receives the report. It also prohibits a member of a citizen review panel from disclosing identifying information about a specific child services case, child or member of the child's family who is the subject of a child protective services investigation, or any other person identified in confidential materials. The bill provides that the Department may remove a member who discloses identifying information from a citizen review panel. The bill also requires child welfare agencies to cooperate and work with citizen review panels. It allows citizen review panels access to reports and other materials concerning child protective services;

(g) provides that a petition alleging that a child taken into custody as a CHINS shall be filed before the detention hearing. The bill requires the initial hearing on the CHINS petition to be held at the same time as the detention hearing;

(h) establishes a Child Protection Index, and permits a person or agency to obtain certain information contained in the index relating to an individual who has applied for employment or volunteered for services in a capacity that would place the individual in a position of trust with children;

(I) requires a court to consult with a CHINS regarding a proposed permanency plan for the child. The bill provides that if the child is at least 16 years of age and the proposed permanency plan for the child provides for the transition from foster care to independent living, the court shall notify the child of the permanency hearing and provide the child an opportunity to be heard;

(j) repeals provisions: (1) requiring the Department to offer certain services to a family or a child following an investigation of a report of child abuse or neglect; and (2) authorizing voluntary services referral agreements between the Department and persons accused of child abuse or neglect; and

(k) makes conforming amendments.

**Effective Date:** Upon passage; July 1, 2007.

**Summary of Net State Impact:** This bill makes multiple changes affecting the Department of Child Services (DCS); Family and Social Services Administration (FSSA); Indiana State Police (ISP); local offices of the DCS; courts; and county fiscal bodies. Changes impact expenditures and revenues at both the state and local levels. The following summarizes changes affecting the selection of county directors, national fingerprint based criminal history background checks, the juvenile law definition of custodian, adoption placement background checks, regional services councils, citizen review panels, initial and detention hearings for a CHINS, the child protection index, permanency hearings for CHINS, and service referral agreements.

Provision	State Expenditures	State Revenues
(a) Requires the Director of the DCS to appoint a county director for each county office of the DCS.	Administrative duties for the Director of the DFR would be reduced minimally.	

Provision	State Expenditures	State Revenues
(b) Specifies that national criminal history checks shall be conducted to determine whether certain individuals who supervise children have been convicted of specified offenses.	<p><u>ISP</u>: The ISP would experience a change in workload; actual increases or decreases are unknown.</p> <p><u>DCS</u>: The DCS would be required to conduct a child abuse or neglect record review for certain individuals each time a child caring institution, group home, or foster family home renews its license (every four years). This provision would increase administrative duties for the DCS. Requires the DCS to adopt rules.</p>	<p>(1 &amp; 2) <u>Limited Criminal History Checks</u>: The state General Fund and the IOT Portal Fund would experience an indeterminable increase in expenditures.</p> <p><u>National Fingerprint Criminal History Background Checks</u>: The state General Fund would experience an indeterminable increase in revenue.</p> <p>(2) <u>Foster Family Homes</u>: Foster family home license applicants would no longer be required to obtain a national criminal history check for certain persons resulting in an indeterminable decrease in revenue to the state General Fund .</p>
(c) Modifies the definition of "custodian", for purposes of statutes regarding CHINS, to include a person who is a member of the household of a child's noncustodial parent.	May increase the total number of CHINS cases. If this occurs, state and county expenditures would increase. Actual increases would depend on the number of CHINS and types of services provided.	
(d) Requires criminal history checks in pre-adoption placements, even if the child is: (1) not a ward of the court or the DCS; or (2) placed with certain relatives.	<p><u>ISP</u>: The ISP would experience a change in workload; actual increases or decreases are unknown.</p> <p><u>DCS</u>: Administrative duties of family case managers would increase; however, actual increases are not known and would be dependent upon administrative action taken by the DCS.</p>	<p>(1) DCS would no longer be required to conduct national criminal history background checks for persons at least 14 and less than 18 residing in a proposed foster family home. The state would experience an indeterminable decrease in revenue to the state General Fund.</p> <p>(2) The bill requires a limited criminal history background check and a national criminal history background check be conducted for certain persons residing in a proposed adoptive home of a child who is not under the care and supervision of the juvenile court or the DCS. This provision would increase revenue to the state General Fund by an indeterminable amount.</p>
(e) Replaces county early intervention plan teams with regional services councils.	The bill requires the DCS to establish guidelines and policies for regional services councils.	

Provision	State Expenditures	State Revenues
(Revised) (f) Requires that the DCS shall: (1) establish at least three citizen review panels; and (2) designate existing entities as citizen review panels. It requires the DCS to work with the panels and respond to them under certain time lines.	Requires the DCS to: (1) make all reports and other materials in the agency's possession available to panels, (2) cooperate and work with each panel, and (3) respond within 6 months of receiving a report from a panel whether and how the DCS will incorporate the recommendations of the panel.	
(g) Provides that a petition alleging that a child taken into custody as a CHINS shall be filed before the detention hearing. The bill requires the initial hearing on the CHINS petition to be held at the same time as the detention hearing.	May increase the total number of CHINS cases. If this occurs, state and county expenditures would increase. Actual increases would depend on the number of CHINS and types of services provided.	
(h) Establishes a Child Protection Index, and permits a person or agency to obtain certain information from the Index.	Requires the DCS to adopt rules and written policies.	
(I) Requires a court to consult with a CHINS regarding a proposed permanency plan. Provides that if the child is at least 16 years of age and the plan provides for the transition from foster care to independent living, the court shall notify the child of the permanency hearing and provide the child an opportunity to be heard.	DCS would be required to send hearing notices to certain children; total costs are approximately \$500 annually.	
(j) Repeals provisions: (1) requiring the DCS to offer certain services to a family or a child; and (2) authorizing voluntary services referral agreements.	Family case managers would experience a decrease in workload and administrative duties.	

**Explanation of State Expenditures:** This bill makes multiple changes affecting the DCS, FSSA, ISP, local office of the DCS, courts, and county fiscal bodies.

*Details of the Bill -*

(a) *County Directors:* The bill allows the Director of the DCS to appoint a county director in each county. Currently, the Director of the DCS and the Director of the DFR are responsible for doing so. As proposed, administrative duties for the Director of the DFR would be reduced minimally.

(b) *National Background Checks: Child Abuse or Neglect Records*: As proposed, each time a child caring institution or group home renews its license, the DCS would be required to conduct a child abuse or neglect record review of each individual who is an applicant, the director or manager of a facility where children will be placed under the supervision of an applicant, or an employee or a volunteer of the applicant who has or will have direct contact on a regular and continuing basis with a child who is or will be placed in a facility operated by the applicant and is at least 14 years old. In addition, the DCS would need to conduct the same check for employees and volunteers of foster family homes. Currently, the DCS is required to do so when a child caring institution, group home, or foster family home applies for a license. This provision would increase administrative duties for the DCS.

The bill allows the DCS to adopt rules pertaining to background check requirements for child caring institutions, group homes, and foster family homes. The DCS should be able to do so within its existing level of resources.

(b & d) *National Background Checks/Adoption Placement Background Checks: Indiana State Police*: Under the bill, the ISP would experience a change in workload; actual increases or decreases are unknown.

<b>Provision</b>	<b>Current</b>	<b>As Proposed</b>	<b>Change in Workload</b>
<b>See (b)(1); (b)(2)</b>	Conduct limited and national background checks for certain individuals employed by a child caring institution, group home, or foster family home when the entity applies for a license.	Conduct limited and national background checks for certain individuals employed by a child caring institution, group home, or foster family home when the entity applies and renews (every four years) its license.	Unknown Increase.
<b>See (b)(2)</b>	Conduct limited and national background checks on all persons at least 14 but less than 18 years of age residing in a foster family home when the entity applies for a license.	Conduct limited background checks on all persons at least 14 but less than 18 years of age residing in a foster family home when the entity applies and renews (every four years) its license.	Unknown Decrease.
<b>See (d)(1)</b>	Conduct limited and national background checks for all persons between at least 14 and less than 18 years of age residing in a prospective court or DCS supervised adoptive home.	Conduct limited checks for all persons between the ages of 14 and 18 residing in a prospective court or DCS supervised court adoptive home.	Unknown Decrease.
<b>See (d)(2)</b>	No current requirement.	Conduct limited and national criminal history checks for all persons over the age of 18 residing in a non-supervised court or DCS prospective adoptive home.	Unknown Increase.
<b>See (d)(3)</b>	No current requirement.	Conduct limited criminal history checks for all persons between the ages of 14 and 18 residing in a non-supervised court or DCS prospective adoptive.	Unknown Increase.

*Background Information:*

A Limited Criminal History Background Check means information with respect to any arrest or criminal charge, which must include: (1) a disposition; and (2) a photograph of the person who is the subject of the limited criminal history if a photograph is available. The term includes information about any arrest or criminal charge that occurred less than one year before the date of a request even if no disposition has been entered. A limited criminal history background check is obtained through the ISP.

A National Fingerprint Criminal History Background Check means the criminal history record system maintained by the Federal Bureau of Investigation based on fingerprint identification or any other method of positive identification. A national criminal history background check is also obtained through the ISP.

(c) *Juvenile Law Definition of Custodian:* The bill adds a member of a household of a child's noncustodial

parent to the definition of custodian when dealing with a CHINS case. The DCS reports that whether it investigates cases in situations where allegations of abuse or neglect involve a member of a household of a child's noncustodial parent varies by county. The number of cases in which a household member is involved and is investigated is not known.

The bill may increase the total number of CHINS cases. If this occurs, state and county expenditures will increase. Under current practice an order of the court decides whether a child is a CHINS.

The caseloads of the county office of the DCS, court with juvenile jurisdiction, and county prosecutor may increase. This increase in caseload and associated costs is unknown and contingent upon judicial action. Total increases in expenditures depend on the number of substantiated findings of child abuse or neglect involving a household member of a noncustodial parent and the number of children referred for a CHINS determination.

Out-of-home placements and services to CHINS are funded by the local county Family and Children's Fund. Certain out-of-home placements may be matched with federal IV-E funds, and CHINS are eligible for Medicaid services. Child welfare caseworkers and other staff of the local offices of the DCS are state employees. Additions to the number of children being supervised by the DCS may result in additional workload on existing staff or, if a large increase, a need for additional staff.

Total county expenditures for child welfare services in FY 2005 were \$421.4 M. This represented services for 11,887 children (monthly average) in FY 2005. This dollar figure represents all services paid for through the child welfare system, some of which may not be direct services.

(d) *Adoption Placement Background Checks: Prior Written Approval*: This bill requires a county office of the DCS or a licensed child placing agency to provide prior written approval prior to placing a child in a proposed adoptive home if the child is sought to be adopted by a stepparent, grandparent, aunt, or uncle, or a child received by a petitioner for adoption from an agency outside Indiana with the written consent of the DCS. Under current law, a licensed child placing agency or a county office is not required to provide prior written approval for the aforementioned proposed adoptive homes; however, it does provide approval for all other proposed adoptive homes. Furthermore, the DCS reports that prior written approval typically includes a meeting of all involved parties after which a written approval form is signed. The DCS also reports that prior written approval of the proposed adoptive homes outlined under the bill would likely be set through internal policy and could vary from the current requirements. The number of children who are sought to be adopted by a stepparent, grandparent, aunt, or uncle, or from an adoption from an agency outside Indiana with the written consent of the DCS is not known. Under the bill, administrative duties of family case managers would increase; however, actual increases are not known and would depend on administrative action taken by the DCS.

(e) *Regional Services Councils*: The bill replaces county early intervention plan teams with regional services councils. Members of county early intervention plan teams serve without reimbursement. The DCS reports that members of regional services councils will not receive reimbursement for per diem, mileage, or other expenses relating to the meeting.

The bill requires the DCS to establish guidelines and policies for regional services councils. The Director of the DCS would be responsible for appointing council members. The DCS should be able to do so within its existing level of resources.

(Revised) (f) *Citizen Review Panels*: The bill requires the DCS to establish at least three citizen review panels. Members of citizen review panels are volunteers, thus, would receive no compensation. Citizen review panels are required by federal statute to evaluate the extent to which a child welfare agency is effectively discharging the agency's child protection responsibilities.

The bill requires the DCS to: (1) make all reports and other materials in the agency's possession available to citizen review panels including any reports and materials from other agencies, (2) cooperate and work with each citizen review panel, and (3) respond within 6 months of receiving a report from a citizen review panel whether and how the DCS will incorporate the recommendations of the panel. The DCS should be able to do so within its existing level of resources.

(g) *Combination of Detention/Initial CHINS Hearings*: This bill requires a court to file a CHINS petition prior to holding a detention hearing. It also requires the courts to hold an initial hearing and detention hearing at the same time. However, the court is allowed to schedule an additional initial hearing on the CHINS petition if necessary to comply with the statutory procedures and requirements for detention hearings. Under the bill, the additional initial hearing must be held not more than 30 calendar days after the date of the first initial hearing.

Under current law, the court is required to hold a detention hearing within 48 hours of a child having been taken into custody; the initial hearing must take place no more than 90 days after the detention hearing.

As proposed, one of two scenarios could occur:

Scenario 1: A court will hold a detention hearing and initial hearing at the same time. Under this scenario, the courts could potentially experience a decrease in court time. A result of no longer needing to schedule an initial hearing, however, proceedings currently conducted at an initial hearing would be conducted at the combined detention/initial hearing. Thus, actual decreases in court time would likely be minimal.

The scenario could also result in an increase in the number of children identified as a CHINS. CHINS petitions are typically filed at initial hearings. Courts report that often times meetings are held between family case managers and a child and their family during the time between a detention and initial hearing. This can result in a case being dismissed due to the reason why the child was initially removed having been resolved through discussion. Under the bill, some or all of these cases might not be dismissed due to an insufficient amount of time for these discussions to occur. Furthermore, some or all of the cases might be identified as CHINS cases.

Each county handles the order of services for a CHINS or potential CHINS differently. Some counties order services immediately when a child is removed. Others do not order services until after a CHINS petition has been filed. There would be no change in expenditures for counties ordering services when a child is removed. However, in counties where services are ordered after the filing of a CHINS petition, an increase in expenditures might be experienced. The county would be responsible for payment of services for the children during a time which they are currently not required to pay. Actual increase in expenditures is unknown and contingent upon judicial action. Total increases in expenditures for affected counties would depend on the number of children identified as CHINS, the types of services ordered for those children, and the amount of time for which a county would currently not pay for those services.

Scenario 2: A court will hold a detention hearing and initial hearing at the same time and subsequently hold a second initial hearing to finalize the CHINS petition within 30 days of the first detention/initial hearing.



The scenario could result in an increase in the number of children identified as a CHINS. Counties which now hold initial hearings more than 30 days after a detention hearing would be affected. The number of counties which do so is not known. Under the bill, some or all of these cases might not be dismissed due to an insufficient amount of time for these discussions to occur. Furthermore, some or all of the cases might be identified as CHINS cases. Total increases in expenditures for affected counties would be dependent upon the number of children identified as CHINS, the types of services ordered for those children, and the amount of time for which a county would currently not pay for those services.

*Impact on the Courts:* The bill decreases the amount of time a court has to hold an initial hearing. Courts differ as to the time line they follow for holding detention and initial hearings. Some counties report that they currently hold the detention and initial hearings together; others are not able to meet the 90-day time line currently set in statute for holding an initial hearing. The DCS reports that during FY 2006 there were approximately 8,200 removals which required a first-time detention hearing. Given that figure and the number of detention hearings held in each county, 13 counties (Porter, Henry, Elkhart, Vigo, Saint Joseph, Delaware, Floyd, Tippecanoe, Vanderburgh, Madison, Allen, Lake, and Marion) would be significantly impacted and would be required to hold two or more detention hearings per week. Of the 13, 2 counties (Elkhart and Lake), representing 21% of total cases within the 13, report that they currently do not conduct an initial hearing within 30 days of a detention hearing.

*Impact on Family Case Managers:* The bill decreases the amount of time family case managers have to complete an investigation of suspected child abuse or neglect. The DCS reports that it should be able to complete the requirements of the bill within its existing level of resources.

(h) *Child Protection Index:* The bill requires the DCS to adopt rules: (1) to provide procedures by which any person identified as a perpetrator in a substantiated report of child abuse or neglect that is entered in the child protection index may request and obtain an administrative hearing, (2) to establish provisions for administrative review by the DCS of a proposed or approved substantiated report, before or after an administrative hearing is available or conducted, and (3) relating to the procedure of disclosure of information from the child protection index; however, the DCS is not required to adopt the rules until July 1, 2011.

The DCS is required to adopt written policies governing: (1) administrative reviews and hearings relating to substantiated determinations of child abuse or neglect, and (2) the disclosure of information from the child care index.

The DCS should be able to adopt rules and written policies within its existing level of resources.

(I) *Permanency Hearings for CHINS:* The bill requires a court to consult with a child during a permanency hearing regarding the child's proposed permanency plan. Courts should be able to do so within their current workload.

Under the bill, if a child is at least 16 years old and the proposed permanency plan provides for the transition of the child from foster care to independent living, the court is required to send notice of the permanency hearing to the child and provide to the child an opportunity to be heard and to make recommendations to the court. Under current law, the right to be heard and to make recommendations includes: (1) the right to submit a written statement to the court that, if served upon all parties, may be made a part of the court record; and (2) the right to present oral testimony to the court and cross examine any of the witnesses at the hearing. This provision could increase the workload of the courts minimally.

The DCS reports that during FY 2006, there were 1,237 permanency hearings held for children who were at least 16 years of age. In addition, family case managers typically begin the transition from foster care to independent living services at age 14. Thus, notification would need to be sent to all 1,237 children. *Note:* It should be noted that a child would not receive notice if their initial permanency hearing were held at age 16 or older. Transitional services to independent living would not be discussed at an initial hearing.

The DCS reports that children typically stay in the system until age 18; however, they may leave the system as late as age 21 under certain circumstances. In addition, permanency hearings are held annually. Thus, between one and five permanency hearings would be held for a child who is aged 16 prior to their emancipating out of the Indiana child welfare system.

The cost to send a letter through first class mail is currently \$0.39. Assuming the number of children at least 16 years of age for which a permanency hearing is held remains consistent, the cost to the DCS to send notices annually would total approximately \$500.

(j) *Service Referral Agreements:* Under current law, if the DCS: (1) substantiates child abuse or neglect, (2) does not seek court involvement under IC 31-34 (Juvenile Law: Children in Need of Services), and (3) recommends voluntary participation in family or rehabilitative services for not more than six months; the DCS is required to enter into a services referral agreement (SRA) which coordinates, provides or arranges for, and monitors, family or rehabilitative services, or both types of services, for a child and the child's family on a voluntary basis or under an order of the court; following an investigation and evaluation of a report of child abuse and neglect.

When both the DCS and a family enter into an SRA, a family case manager, who is an employee of the state, becomes responsible for providing case management services which are, in turn, paid for out of the county Family and Children Fund.

This bill strikes language and repeals statutes pertaining to the SRAs described above.

Under the bill, family case managers would experience a decrease in workload and would no longer be required to coordinate, provide or arrange for, and monitor family or rehabilitative services for a child and a child's family. In addition, they would no longer be required to enter information into the Child Abuse Index should a family fail to successfully participate in a SRA.

The DCS reports that during FY 2005, a total of 756 SRAs were entered into; and in FY 2006 the DCS entered into 758.

**Explanation of State Revenues:** (b) *National Background Checks:* (1) Child Caring Institutions & Group Homes: This bill modifies current statute and: (a) requires child caring institution and group home applicants, or the DCS on behalf of a child caring institution or group home, to conduct a criminal history check for: each individual who is an applicant, the director or manager of a facility where children will be placed under the supervision of an applicant, an employee or a volunteer of the applicant who has or will have direct contact on a regular and continuing basis with a child who is or will be placed in a facility operated by the applicant and is at least 14 years old; at the time which a child caring institution or group home applies for a new license or the renewal of an existing license, and (b) allows the DCS to conduct a criminal history check on behalf of a child caring institution or group home. Current law requires a child caring institution or group home to conduct a criminal history check when applying for a license.

As proposed, child caring institutions and group homes, or the DCS on behalf of a child caring institution or group home, would be required to conduct criminal history checks each time it renews its license (as set in statute, every four years).

Under current statute, "conduct a criminal history background check" includes: (1) requesting the ISP to: (a) release or allow inspection of a limited criminal history and juvenile history data; and (b) conduct a national fingerprint-based criminal history background check; and (2) collect each substantiated report of child abuse or neglect reported in a jurisdiction where a probation officer, a caseworker, or the DCS has reason to believe that a person resided.

As proposed, the number of limited and national criminal history background checks conducted by child caring institutions and group homes, or the DCS on behalf of a child caring institution or group home, would increase. Data is not collected which indicates the number of background checks currently conducted. In addition, should the DCS conduct a criminal history background check, the administrative duties of the DCS would increase; however, the DCS reports that it currently conducts national fingerprint-based criminal history background checks on behalf of child caring institutions and group homes; no decision has been made to conduct limited criminal history checks.

*Limited Criminal History Checks:* Fees for limited criminal history background checks vary and are as follows: \$16.32 for persons who do not subscribe to AccessIndiana, \$15 for AccessIndiana subscribers, or \$7 by mail. A portion of the fees, \$7, is deposited into the state General Fund; the remaining \$8.00 or \$9.32 is deposited into the Indiana Office of Technology (IOT) Portal fund. The IOT reports that the Portal Fund is used to maintain and modify AccessIndiana webpages. The ISP reports that the DCS is exempt from paying a fee for a limited criminal history background check.

Should a child caring institution or group home conduct a limited criminal history background check, the state General Fund and the IOT Portal Fund would experience an increase in expenditures each time a child caring institution or group home renews its license. Actual increases in expenditures would depend on the number of additional limited criminal history checks requested by a child caring institution or group home and the fee paid for each check.

The bill allows the DCS to conduct a background check on behalf of a child caring institution or group home. The DCS reports that currently child caring institutions and group homes are responsible for obtaining limited criminal history checks and that no decision has been made otherwise. Should a decision be made which would allow the DCS to conduct some or all limited criminal history checks, both the state General Fund and IOT Portal Fund would experience a decrease in expenditures. The decrease would be a result of initial license limited criminal history background checks being conducted by the DCS. No change would occur from renewal licenses because they are not required under current law. Actual decreases would be dependent on the number of limited criminal history background checks currently conducted by child caring institutions or group homes when applying for a license and the fee paid for those checks, and the number which would be conducted by the DCS under the bill.

*National Fingerprint Criminal History Background Checks:* National fingerprint-based criminal history background checks cost a total of \$39, \$24 of which is given to the federal government; the remaining \$15 is deposited into the state General Fund. As proposed, the state General Fund would experience an increase in expenditures each time a child caring institution or group home renews its license. Actual increases would be dependent on the number of additional national fingerprint-based criminal history background checks conducted. The state General Fund would experience an increase in revenue of \$15 for

each person that a national fingerprint-based criminal history background check is conducted.

*Background Information:* The DCS reports that there were 128 child caring institutions and 61 group homes during FY 2004; there were 130 child caring institutions and 59 group homes during FY 2005.

Foster Family Homes: (2) (a) The bill modifies current statute and requires an applicant for a foster family home license to obtain: a limited criminal history background check and juvenile history data for all persons at least 14 years of age but less than 18 years of age residing in a foster family home; at the time which they apply for a new license or the renewal of an existing license.

Under current law, applicants are required to obtain: a national fingerprint-based criminal history background check, a limited criminal history background check, and juvenile history data for all persons at least 14 years of age residing in the foster home when applying for a foster family home license. As proposed, applicants would no longer be required to obtain a national fingerprint-based criminal history check for persons at least 14 and less than 18 years of age residing in the foster home. This provision would result in a reduction of revenue deposited into the state General Fund. The number of persons for which a national fingerprint-based criminal history background check would no longer need to be conducted under the bill is not known. The state General Fund would experience a decrease in revenue of \$15 for each person that a national fingerprint based criminal history background check is not conducted.

(b) The bill also modifies current statute and: (1) requires a foster family home, or the DCS on behalf of a foster family home, to conduct a criminal history check for: each employee and volunteer who has or will have direct contact, on a regular continuing basis, with children who are or will be under the direct supervision of the foster family home; and all household members who are at least 18 years of age; at the time which it applies for a new license or the renewal of an existing license, and (2) allows the DCS to conduct a criminal history check on behalf of a foster family home. Current law requires a foster family home to conduct a criminal history check when applying for a license.

As proposed, foster family homes, or the DCS on behalf of a foster family home, would be required to conduct criminal history checks each time it renews its license (as set in statute, every four years).

As proposed, the number of limited and national criminal history background checks conducted by foster family homes, or the DCS on behalf of a foster family home, would increase. Data is not collected which indicates the number of background checks currently conducted. In addition, should the DCS conduct a criminal history background check, the administrative duties of the DCS would increase; however, the DCS reports that it currently conducts national fingerprint-based criminal history checks on behalf of foster family homes; no decision has been made to conduct limited criminal history checks. Thus, no change from current workload would occur.

Limited Criminal History Checks: Should the foster family home conduct the limited criminal history background check, the state General Fund and the IOT Portal Fund would experience an increase in expenditures each time a foster family home renews its license. Actual increases in expenditures would be dependent on the number of additional limited criminal history checks requested by a foster family home and the fee paid for each check.

The bill allows the DCS to conduct a background check on the behalf of a foster family home. The DCS reports that currently foster family homes are responsible for obtaining limited criminal history checks and that no decision has been made otherwise. Should a decision be made which would allow the DCS to conduct

some or all limited criminal history checks, both the state General Fund and IOT Portal Fund would experience a decrease in expenditures. The decrease would be a result of initial license limited criminal history background checks being conducted by the DCS. No change would occur from renewal licenses because they are not required under current law. Actual decreases would be dependent on the number of limited criminal history background checks currently conducted by foster family homes when applying for a license and the fee paid for those checks, and the number which would be conducted by the DCS under the bill.

*National Fingerprint Criminal History Background Checks:* As proposed, the state General Fund would experience an increase in expenditures each time a foster family home renews its license. Actual increases would be dependent on the number of additional national fingerprint criminal history background checks conducted. The state General Fund would experience an increase in revenue of \$15 for each person that a national fingerprint criminal history background check is conducted.

*Background Information:* The DCS reports that there were 4,355 foster family homes during FY 2004; there were 4,570 during FY 2005.

(d) Adoption Placement Background Checks: (1) Modify Statute to Require Only Limited Criminal History Background Checks for Persons at Least 14 and Less than 18 Years of Age:

The bill modifies current statute and requires the DCS to conduct a limited criminal history background check for a person who resides in a proposed adoptive home who is at least 14 and less than 18 years of age. Under current law, the DCS is required to conduct a limited criminal history background check and a national fingerprint-based criminal background check for these individuals. Prospective adoptive parents are responsible for paying the fees which are associated with both checks. The number of persons for which these checks are conducted is not known. The state would experience a decrease in revenue to the state General Fund under this provision. Actual decreases would be dependent on the number of national criminal history background checks no longer conducted.

(2) Require Limited and National Criminal History Checks for all Persons Aged 18 and Over Residing in a Non-supervised Court or DCS Adoptive Home:

The bill requires a limited criminal history background check and a national criminal history background check be conducted for a proposed adoptive parent and any other person at least 18 years of age who is currently residing in a proposed adoptive home of a child who is not under the care and supervision of the juvenile court or the DCS. Under current law, a licensed child placing agency or the DCS is only required to conduct the checks for children under the care and supervision of the juvenile court or the DCS. Prospective adoptive parents are responsible for paying the fees which are associated with both checks. This provision would increase revenue to the state General Fund.

*National Criminal History Background Checks:* The number of persons for which these checks will be conducted is not known. The state would experience an increase in revenue to the state General Fund under this provision. Any actual increase would be dependent on the number of national criminal history background checks conducted under the provision.

*Limited Criminal History Background Checks:* The ISP reports that limited criminal history background check fees are waived for the DCS. Thus, no change in revenue is anticipated as a result.

(3) The bill also requires a limited criminal history background check be conducted for a proposed adoptive parent and any other person between 14 and 18 years of age who is currently in the house who are not under the care and supervision of the juvenile court or the DCS. The ISP reports that limited criminal history background check fees are waived for the DCS. Thus, no change in revenue is anticipated as a result.

**Summary of Net Local Impact:** The following table summarizes the local expenditures and revenues from these provisions.

Provision	Local Expenditures	Local Revenues
(e) Replaces county early intervention plan teams with regional services councils.	Responsibilities of both counties and county fiscal bodies would be reduced minimally.	
(b) Specifies that national criminal history checks shall be conducted to determine whether certain individuals who supervise children have been convicted of specified offenses.		Under the bill, child caring institutions, foster family homes, and group homes would be required to obtain national criminal history background checks at the time that an entity renews its license (every four years). These entities would need to submit a fingerprint card for each individual for which they request a check. If the card is obtained from a local law enforcement agency, revenue for the local law enforcement agency would increase.
(c) Modifies the definition of "custodian", for purposes of statutes regarding CHINS to include a person who is a member of the household of a child's noncustodial parent.	Could increase county expenditures if additional children are identified as CHINS.	
(d) Requires criminal history checks in pre-adoption placements, even if the child is: (1) not a ward of the court or the DCS; or (2) placed with certain relatives.		Proposed adoptive parents and other certain persons residing in a proposed adoptive home would need to submit a fingerprint card to complete a national criminal history background check. If the card is obtained from a local law enforcement agency, revenue for the local law enforcement agency would increase.

Provision	Local Expenditures	Local Revenues
(g) Provides that a petition alleging that a child taken into custody as a CHINS shall be filed before the detention hearing. The bill requires the initial hearing on the CHINS petition to be held at the same time as the detention hearing.	Counties could experience an increase in expenditures should additional children be identified as CHINS under the bill. Courts could experience a change in workload; the actual change is unknown.	
(j) Repeals provisions: (1) requiring the DCS to offer certain services to a family or a child; and (2) authorizing voluntary services referral agreements.	Counties would no longer be responsible for payment of services provided through SRAs and would experience an unknown decrease in expenditures.	

**Explanation of Local Expenditures:** *Details of the Bill -*

(c) *Juvenile Law Definition of Custodian:* The bill adds a member of a household of a child's noncustodial parent to the definition of custodian when dealing with a CHINS case. The bill may increase the total number of CHINS cases. If this occurs, state and county expenditures will increase. Under current practice an order of the court decides whether a child is a CHINS.

The caseloads of the county office of the DCS, court with juvenile jurisdiction, and county prosecutor may increase. Total increases in expenditures are dependent upon the number of substantiated findings of child abuse or neglect involving a household member of a noncustodial parent and the number of children referred for a CHINS determination.

(e) *Regional Services Councils:* Counties are currently responsible for appointing members of early intervention plan teams. In addition, county fiscal bodies are responsible for reviewing documents and forwarding said documents to certain individuals. Under the bill, responsibilities of both counties and county fiscal bodies would be reduced minimally.

(g) *Combination of Detention/Initial CHINS Hearings:* Expenditures for counties could increase should additional children be identified as CHINS.

CHINS petitions are typically filed at initial hearings. Courts report that often times meetings are held between family case managers and a child and their family during the time between a detention and initial hearing. This can result in a case being dismissed due to the reason why the child was initially removed having been resolved through discussion. Under the bill, some or all of these cases might not be dismissed due to an insufficient amount of time for these discussions to occur. Furthermore, some or all of the cases might be identified as CHINS cases.

Each county handles the order of services for a CHINS or potential CHINS differently. Some counties order services immediately when a child is removed. Others do not order services until after a CHINS petition has been filed. There would be no change in expenditures for counties ordering services when a child is removed. However, in counties where services are ordered after the filing of a CHINS petition, an increase in expenditures might be experienced. The county would be responsible for payment of services for the children

during a time which they are currently not required to pay. Actual increase in expenditures is unknown and contingent upon judicial action. Total increases in expenditures for affected counties would be dependent upon the number of children identified as CHINS, the types of services ordered for those children, and the amount of time for which a county would currently not pay for those services.

Scenario 2: A court will hold a detention hearing and initial hearing at the same time and subsequently hold a second initial hearing to finalize the CHINS petition within 30 days of the first detention/initial hearing.

The scenario could result in an increase in the number of children identified as a CHINS. Counties which hold initial hearings more than 30 days after a detention hearing would be affected. The number of counties which do so is not known. Under the bill, some or all of these cases might not be dismissed due to an insufficient amount of time for the aforementioned discussions to occur. Furthermore, some or all of the cases might be identified as CHINS cases.

A county would be responsible for payment of services for the children during a time which they are currently not required to pay. Actual increase in expenditures is unknown and contingent upon judicial action. Total increases in expenditures for affected counties would be dependent upon the number of children identified as CHINS, the types of services ordered for those children, and the amount of time for which a county would currently not pay for those services.

(j) *Service Referral Agreements:* Under the bill, counties would no longer be responsible for payment of services provided through SRAs and would experience a decrease in expenditures. Dollars spent on services provided through SRAs are not known. Actual decrease in expenditures is dependent on the number of families served and the types of services provided for those families.

**Explanation of Local Revenues:** (b & d) *National Background Checks/Adoption Placement Background Checks:* Fingerprint Card Fees:

*National Background Checks:* Under the bill, child caring institutions, foster family homes, and group homes, currently obtaining a national fingerprint-based criminal history background check for certain individuals at the time of license application would be required to obtain national fingerprint-based criminal history background check at the time that the entity renews its license, every four years. These entities would need to submit a fingerprint card for each individual for which they request a national fingerprint based criminal history background check.

*Adoption Placement Background Checks:* Proposed adoptive parents and other persons currently residing in the proposed adoptive home who are at least 18 would need to submit a fingerprint card to complete a national criminal history background check.

If the card is obtained through an ISP post, of which there are 18 statewide, it is free. If it is obtained from a local law enforcement agency, fees vary. Fees collected from fingerprint cards are used by the local police department which collects the fee. Actual use of the fees vary by department.

**State Agencies Affected:** DCS; FSSA; ISP.

**Local Agencies Affected:** Local offices of DCS; Courts; County fiscal bodies.

**Information Sources:** John Ryan, DCS; James Robertson, DFR; Mary Edmonds, DCS; Allison Chaney,



DCS; Angela Green, DCS; John Wood, DCS; Cassandra Porter, DCS; Chris Sheets, ISP; Chris Cotterill, Indiana Office of Technology; Sherry Beck, ISP; Fred Sargeson, AccessIndiana; Doug Shelton, ISP; Jennifer Hubartt, DCS; Brian Hamilton, DCS; William Tichenor, DCS; Sharon Eichmann, DCS; Judge Charles Pratt, Allen County; Judge Mary Beth Bonaventura, Lake County; Judge Edward Nemeth, Porter County; Judge Marilyn Moores, Marion County; Judge Mary Willis, Henry County; Judge Jack Brinkman, Madison County; Judge Brett Miemeier, Vanderburgh County; Judge Loretta Rush, Tippecanoe County; Judge Cody Terrence, Floyd County; Judge Paulette Stagg, Vigo County; Judge Deborah Domine, Elkhart County; Delaware County; Jeff Bercovitz, Indiana Judicial Center.

**Fiscal Analyst:** Sarah Brooks, 317-232-9559.